

# **PLANTATION ECONOMY AND LAND REFORM. THE JAMAICAN EXAMPLE 1972-1980**

**Gerulf Augustin (Hannover)**

## **Introduction**

When the People's National Party (PNP) came to power in 1972, the state was the biggest landowner in the country. Roughly one fifth of the arable land or 280,000 acres were at the disposal of the Government.

About one third of the population were small farmers who tried to make their living by cultivating a piece of land with an average size of 1.5 acres. The socio-economic and socio-political situation of these farmers and their families in Jamaica has not changed since emancipation.

Land reform was considered by the new social democratic Government as the focal point within the planned measures for the development of the rural areas.

From a quantitative point of view the programme can be considered quite successful. From its inception in 1973 until 1980, roughly 70,000 acres of arable lands were distributed among 36,000 tenants. For example, in the 1979/80 crop year, approximately J\$ 30 million were produced throughout the year on 22,000 acres. This means that 'Project Land Lease' was producing approximately 14% of the total domestic agricultural output.

Initially, the small farmer responded positively to the programme. However, the tenant's gradual withdrawal from parts of the programme must be seen as a reaction to the programme's planning and implementation.

I will present a critical assessment of the programme by the tenants. The findings are based on interviews carried out in 1986/87.

The impetus for the case study on Jamaica came from the researcher's interest and active participation in the implementation of the land reform programme under the PNP-Government.

## **Socio-economic and socio-political situation of the Jamaican small farmer**

The Jamaican small farmer and his family have less than two acres of cultivable land on an average at their disposal. This figure can only be

an indicator for the small farmer's socio-economic situation, because land is his home and his working place at the same time. The available financial means are equally divided in both parts. He has only some simple tools, and an animal is available sometimes for heavy work. Apart from this he is dependent on his own strength, supported only occasionally by his family or seasonal wage-labour. Since hardly any surplus is produced, income is too small to allow for saving or reinvesting. Therefore, production and income will never exceed a low level. The small farmer is very cautious about changing traditional cultivation methods because it is difficult for him to overlook and calculate credit conditions, price fluctuations and government programmes. This part of society has been neglected or disappointed by half-hearted programmes 'from above' for too long.

Former studies show that land possession has a social significance for the Jamaican small farmer which goes beyond pure economic security:

- a piece of land means a possibility to identify oneself with a home;
- land is considered an investment ('land cannot spoil') particularly when it is acquired by austerity and diligence where higher productivity is not possible owing to lack of money;
- unlike the plantation labourer, the Jamaican small farmer feels himself more free and self-determined because he can choose the crops he wants to plant and he can arrange his own working-hours;
- possession of land is regarded as security for old age ('as long as I have land, someone will look after me') and as heritage for the children ('if they have land they won't starve').

As the studies further show, the small farmers' methods of production have not changed for generations. The traditional method of cultivation – mostly based on family experience – can guarantee the subsistence of the family except in times of crisis, yet it cannot satisfy the demand for a higher income. This implies a change in the methods of production connected with financial inputs. Yet borrowing money from the free market would mean to encumber their own piece of land. For the above-mentioned reasons, there is little possibility of risks being taken so that the level of production as well as the standard of living remains low.

## Agriculture in the National economy in 1972

The 1968 Agricultural Census showed that agriculture occupied approximately 1.5 million acres or about 55 percent of the total land area in Jamaica. This acreage represents a significant decline since 1958. Tab. 1 shows the acreage occupied by agriculture since 1958.

**TABLE 1. Acres of Land in Farms, 1958-1961-1968**

Year	Total Acreage	Cultivated	Grassland and Pasture	Other
1968	1 489 200	581 400	430 400	447 400
1961	1 711 400	445 300	630 400	653 700
1958	1 822 800	612 700	708 300	501 800

Source: Min. of Agriculture 'Agricultural Census 1968'

In accordance with this fact, the contribution of agriculture to the total GDP, for example, declined between 1965 and 1970 from 11.6% to 8.0%. Jamaica has become a net importer of agricultural goods since 1966. Major imported items include cereals, meat, dairy product and fish. The major export crops are sugar, bananas, coffee and citrus.

The three principal types of agricultural usage are plantation crops grown mostly for export, mixed farming of food crops for domestic consumption, and pasture for beef and dairy cattle, whose products are also consumed locally.

Tab. 2 shows the distribution of lands by type of use in 1970.

Agriculture is still the principal employer in Jamaica. About 30% of the labour force (ca. 235 000 persons) are primarily dependent on agriculture and related industries for a living. Because of the low productivity of the agricultural sector, the average GDP per person employed in agriculture in 1974 was as low as about J\$ 670 per annum compared to an average of J\$ 3400 per annum in the rest of the economy.<sup>1</sup>

A significant feature of Jamaica's agriculture is the great diversity between the sizes of farms. The Agricultural Census 1968 shows that in 1968 farms of less than 5 acres accounted for 78% of the total number of farms and only 15% of acreage in farms. On the other hands, however, farms of 500 acres and over accounted for 0.15% of the total number of farms but represented 43% of the total acreage of farms. Tab. 3 shows the relationship between number of farms and farm land.

Jamaica's agriculture definitely has a dual nature. On the one hand there is a large number of small farmers located in the hilly regions producing mostly domestic crops, while on the other hand there is a small

<sup>1</sup> Gov. of Jamaica, *First Rural Development Project*, Vol. I, 1975, p. 3.

**TABLE 2. Distribution of Land in Farms by Major Type of Use**

Type of use	Acreage	Percentage of Total
Export Crops	444 600	29.6
Sugar Cane	167 700	11.2
Bananas	84 000	5.6
Coconuts	100 000	6.7
Citrus	25 000	1.7
Cocoa	27 000	1.8
Coffee	15 000	1.0
Pimento	24 000	1.6
Tobacco	1 900	0.1
Other Tree Crops	1 900	0.1
Domestic Food Crops	91 000	6.1
Comercial Forests	16 000	1.1
Improved Pasture	250 000	16.7
Natural Range (Grassland)	138 400	9.2
Other Lands Suitable for Agr.	139 000	9.4
Remainder (Forest, Woodlands, etc.)	420 000	28.0
Total	1 500 900	100.2

Source: Gov. of Jamaica, *Jamaica Second Five Year Plan 1970-1975*, Vol. III, C.P.U.

number of large estates and farmers on the plains producing mostly export crops.

### The Land Reform Programme of the People's National Party (PNP): Genesis, Aims and Substance

Under the slogan 'Put idle lands into idle hands' the PNP instituted a number of important programmes in its first term. Operation G.R.O.W. (Growing and Reaping Our Wealth) was a broad, long-term project that included the following parts:

**TABLE 3. Pattern of Land Ownership**

Size of Farm acres	Number of Farms		Farm Land	
	abs.	%	abs.	%
0 - 5	151 700	78.6	229 000	15.4
5 - 25	37 600	19.5	341 000	22.9
25 - 100	3 100	1.6	127 000	8.5
100 - 500	700	0.4	148 000	9.9
over 500	300	0.1	644 000	43.3
Total	193 400	100.2	1 489 000	100.0

Source: Min. of Agriculture, 'Agricultural Census 1968'

**Food Farms:** Food crops which had to be imported (rice, onions, etc.) were now to be cultivated with modern methods on state-owned land;

**Pioneer Farms:** unemployed youths from rural and urban areas were to get the chance to learn about methods of agricultural cultivation; after one year they could earn their living on a cooperative basis;

**Infrastructural Programmes:** measures like afforestation, building of micro-dams for irrigation, soil conservation, new roads, rural electrification, and food processing plants were included as well;

**Sugar Cooperatives:** in 1971/72 the Jamaican Government bought the five largest sugar-estates; a reduction of sugar-cane land which was no longer profitable was planned in a medium term; the Government intended to turn away from the dependence on monoculture by introducing diversified vegetable gardening and fruit growing; but sugar-workers were opposed to these structural changes and demanded the setting up of sugar cooperatives; the Government fulfilled their desires;

**Project Land Lease:** contrary to the former 'Land Settlement Programme' which offers interested people the chance to buy land out of state property - the so-called 'Freehold-system' - now the 'Leasehold-system' was introduced giving the small farmer the chance to lease arable land on a short-, medium-, or long-term basis.

'Project Land Lease' was the centre-piece of 'Operation G.R.O.W.' The programme was combined with the obligation of land cultivation, financial

incentives and other measures for growth control by the government. It was modelled on a programme of ALCAN ('Aluminium Canada') in which its idle bauxite lands were leased to peasants who also got some assistance from the company. 'Project Land Lease' (PLL) involved the leasing of government and privately-owned lands to small farmers.

In 1974 PLL was divided into three phases to give land as quickly as possible to as many small farmers as possible:

**Phase I:** the government leases from private owners for a period of 5 to 10 years; small farmers living in the neighbourhood can lease this additional land for a low interest-rate;

**Phase II:** for a period of 49 years government-owned land will be leased to selected small farmers with the right to extend the lease for another period of 49 years;

**Phase III:** size and quality of government-owned land should guarantee an appropriate standard of living; the land can be leased for a period of 49 years with the right of extension; new settlements will be set up, the government will provide the necessary infrastructure such as houses, water, roads, etc.; it was considered as a move towards a more cooperative structure in which farmers would work leased land with a common infrastructure provided by the government.

In addition leaseholders of all three phases should get credit in kind like fertilizer, seeds, herbicides, or insecticides. An extension service was to be set up and market facilities to be provided.

## The implementation of the programme and its problems

'Project Land Lease' placed about 36000 people on about 70 000 acres of arable land, most of the tenants were previously landless. The taking over of idle land in the programme and the Government provision of credit and some infrastructure were important reasons for the increase of domestic agriculture from the mid-1970s.

An increase of production was the first aim. This demanded, besides financial and material inputs, extended knowledge of methods of production and an increased readiness for innovations by the small farmers. Therefore, an extension service was set up and new training programmes were scheduled and set into operation sporadically. But both sides – the tenants and the extension officers – complained about lack of support by the administration.

A new administration for the implementation of the land lease programme was set up alongside the existing administrative structure of the

Ministry of Agriculture. The main reason was that the former administration did not show much interest or sympathy with the new programme. Later in the mid-1970s a new department, the 'Production Unit' was established. It included four fifths of all persons working in the Ministry of Agriculture. The establishment of a databank and a statistical department followed.

The new positions were filled preferably with followers and sympathizers of the new government and supporters of the new programmes. But the new civil servants were overwhelmed by administrative duties. Large-scale bookkeeping, distribution of credit in kind, collections of outstanding debts, together with poor transport facilities and financial incentives kept the agricultural advisers from their real tasks: the extension and motivation of the tenants, implementation of demonstration experiments, etc.

The selection process of the tenants caused more problems than expected. For example, if land was to be distributed the officer in charge compiled a list of applicant out of which an 'independent' committee selected the suitable tenant according to certain criteria and based on an interview. Sometimes the local Member of Parliament took part in the committee and he represented his list of candidates - in the end, the result was a compromise. Again and again this external influence led to delays and hindrances in the implementation of the programme.

The properties already under distribution were owned by the Government, having been leased or purchased by the Government from holders of large estates who were ready to lease or to sell. In many cases the quality of the soil of the allotted properties was very poor and often not suitable for the intended cultivation of food crops. Indeed, it was mostly poor quality soil that changed owners.

In addition to the soil as a means of production the tenant should have been offered more financial assistance to reach the programme's targets. As the research shows financial means for the programme have not been raised during the implementation. Instead the administration of the programme was cut down with the consequence for the leaseholder that credit facilities were reduced more and more.

In Jamaica the marketing of agricultural products not designed for export is traditionally pursued by retailers ('Higglers') - who are mainly women. The crops are purchased directly from the producer and sold on the local market. This system has worked since centuries, but it does not satisfy the small farmer as the producer. The higgles only take small quantities and these irregularly and do not keep price arrangements. The state-owned 'Agricultural Marketing Corporation' (AMC) was extended in addition to the raise existing private marketing system to motivate small farmers to production. Minimum prices and sales guarantees for

all reaped crop were meant to be the main stimulus for surplus production. About J\$ 3 million were invested in the construction of shops and coldstorage depots and in the purchase of trucks. In the beginning the two systems seemed to be able to exist side by side, but more and more the small producer faced the fact of being left alone by the AMC: dates could not be kept, crops rotted in the field, the payment was delayed...

A successful implementation of a land reform programme requires further macro-economical measures besides land and capital to enable the formation of capital in smallholding production. Single projects for the processing of agricultural products were promoted but they were insufficient to motivate the Jamaican small farmer to produce additional surplus. The small farmer preferred planting short-term crops, for example beans, in spite of repeated recommendations through the extension officers to cultivate export crops like mangos or avocados which could be easily sold with high profits on the North American market. But, red beans can be reaped after three months whereas mangos or avocados have their first yield after 5 years at the earliest.

A land reform programme needs laws and regulations which fit into the general and special demands of the various parts of the programme. As mentioned in the beginning, land ownership is of extreme importance for the Jamaican small farmer for social and economic reasons. Credits are given only if a LAND TITLE is held. The TITLE was scheduled for the long-term lease, welcomed and expected by the tenants. Yet, the hope for the promised land-registering and thereby the credit-worthiness, was not fulfilled until the end of the PNP-Government. Again and again the people responsible put off the tenants without being able or willing to give satisfying reasons.

After the successful reelection of the PNP in 1976 the distribution of land reached its peak. Indeed, the offering of land to close to 10 000 small farmers during that year must be considered more as an election gift to followers and sympathizers of the successful party. There was not enough money to reach the qualitative targets of the programme. Effects of the world economy (decline of the sugar price, higher prices for energy), the influence of the bauxite trusts (reduction of the volume of production in Jamaica and the transfer of production to Australia at the same time), as well as domestic problems (capital flight, lack of investments by foreign firms) led to a decline of state-revenue and, at the same time, restricted credit opportunities on the international money-market (influence of the USA conditions of the IMF).

Social programmes – like the land reform programme – came to feel these developments first. Yet the Government succeeded in obtaining a credit for a special land reform programme in a limited area, the so-called 'First Rural Development Programme', by the IBRD. US\$ 30 million were



provided for this integrated rural development. In the case of another region, financial and personnel were provided by US-AID ('Agency for International Development'). The 'Second Rural Development Programme' with likewise new focus points in the technical area (soil conservation measures, irrigation) had US\$ 20 million at its disposal.

More importance was attached to quality than to quantity in the remainder of the land reform programme. The new established 'Rural Physical Planning Units', working in each of the four administrative regions of the Min. of Agriculture, met these demands. They had been set up by Dutch experts and with financial assistance by the Dutch government and were later also given personnel and material assistance by the German Volunteer Service. The main task of these planning departments was to analyse and assess the potential of properties offered for sale to the government. Another task was to elaborate development plans for properties already owned by the government which were designed for distribution. Finally these planning units with their highly qualified staff were to help tenants with technical and organizational advices and know-how on lands already belonging to the programme. One year before the election (1980) the 'Comprehensive Rural Development Programme', covering the other rural areas was elaborated with the intention of receiving financial assistance from the World Bank or the FAO.

But the victory of the 'Jamaican Labour Party' (JLP) in the election in October 1980 prevented the postage of the application.

### Assessment of 'Project Land Lease' by the tenants

In the beginning the Jamaican peasantry favoured 'Project Land Lease'. But bureaucracy (Min. of Agriculture) and the power of landowners (including their power within the Min. of Agriculture) meant that distribution was slow and in many cases inadequate. This encouraged a significant increase in squatting and land capturing during the 1970s.

Generally speaking, land distribution for farming was welcomed. But when the land was not suitable for the planned and recommended cultivation tenants neglected their land and refused not only to pay the rent even the credit for land preparation. If profit was unsatisfactory due to various reasons (drought, praedial larceny, no market) the tenants did not pay the credit they received in terms of fertilizer, chemicals or planting material. The fact that only one third of arable land was under cultivation and less than 10 percent of the credit had been paid back after a seven-years-term of land reform must be considered as a rejection of the implementation of parts of the programme by the target group.

The following information, facts and statements are based on surveys and interviews with PLL-farmers carried out in 1979/80 and in 1986/87.

### PROFILE OF TENANT FARMER

In 1979/80 the majority of tenants was between 36 and 50 years old. Seven years later – understandably – almost half (43%) of the interviewed farmers were aged between 50 and 65 years. The youngest man was 18 years, the oldest man 82 years, the youngest woman 40 years and the oldest 64 years.

The average size of the tenant family was and is 6 or 7 members.

Almost two thirds of the respondents stated that they went to school from between 6 to 10 years. Only one out of six tenants had no formal education.

In 1979/80 two thirds of the tenants had some skills apart from farming, half of them were craftsmen such as masons, carpenters, painters or plumbers. In 1986/87 still one third mentioned some skills besides farming.

### ATTITUDE OF FARMERS TOWARDS THE PLL-PROGRAMME

The vast majority of the tenants (90%) stated that "PLL is the best programme the country ever had" because most of them received a piece of land for the first time in their lives for cultivation on their own.

"I have now my own place to cultivate; nobody can push me around".

"I am farming a piece of land I never did before; it put money in my pocket".

"It helped the small mass of the poor man who can't afford to buy a square".

In 1979/80 all the interviewed tenants owed a certain amount of money to the Government; but the majority did not consider loans in terms of rent, tillage, planting material or seeds as a credit. One explanation for this attitude can be seen in the statement:

"If I don't get a crop, so I cannot pay the loan".

or another explanation may be in this one:

"I feel that it is a Government money and therefore I can use it for other purposes".

### PRESENT SITUATION

Independent of the property and the size of the allotted land, the great majority of the interviewed farmers cultivate only one acre of the leased

land. In contradiction to this fact, they said they were satisfied with the leased land – 21% complained about the poor quality of the land – and the majority would like to lease even more land. They consider between five to ten acres as the optimum acreage they would like to cultivate.

Compared with the previous situation, it was discovered that through the PLL-programme planting activities increased and that people had been encouraged to grow new varieties. Most interest was put on semi-permanent crops: less attention is paid to permanent crops. The growing of annual crops is still very popular.

In most cases, there is little surplus produce, and it is sold mainly to higglers and on the local markets.

### ASSESSMENT OF THE PROGRAMME

A vast majority (88%) stated that they had got real benefits from the Land Lease Programme:

“The land is a benefit; otherwise I don’t have anywhere to go and plant a square”.

“We got land to farm; for some of us it is the only land to get food on our table”.

“We have no work, so without this little land we would suffer”.

“It is this piece of land and the help I get; I would not have been able to start building a home and bury my mother last year”.

Apart from the piece of land, the programme provided other important benefits such as credits in kind and the availability of technical advice:

“Between 1973 and 1980 Government helped with tractor, seeds, fertilizer which assisted production”.

“When we got the land, they plough us the place and gave us plants”.

“No real benefit, but it makes me now more independent than before”.

Although farmers expressed satisfaction with the advice given by the Extension Staff, a majority of them proposed to put more emphasis on better assistance by the Field Officers in order to improve the implementation of the programme.

Most of the farmers suggested giving arable land that is not being cultivated to people who really work on it.

For improving the repayment of credits the interviewed farmers suggested among other things that, a strict collection system should be established, and that the use of loans should be controlled.

## FINDINGS

'Put the idle land into idle willing hands', was the slogan of 'Project Land Lease', the main part of OPERATION G.R.O.W., the PNP-Land-Reform-programme in the 1970s. The programme was aimed at bringing idle land to the land hungry and at increasing food production. PLL was by far the largest programme and it met with some success. By 1980, roughly 37000 small farmers had been placed on about 75000 acres of arable land, i.e. 16% of the rural population dependent on agriculture benefited from the programme, and according to the interviews, living standards improved to a certain degree. PLL was also successful in terms a contribution to increased food production.

**TABLE 4. Domestic Food Production  
1971-1980 (in m pounds)**

Year	total root and vegetable crops	crops produced by Project Land Lease (mostly roots and vegetables)
1971	638	
1972	670	
1973	608	
1974	658	17
1975	663	68
1976	632	29
1977	793	56
1978	1010	82
1979	915	139
1980	771	150

Source: Gov. of Jamaica/National Planning Agency, *Economic and Social Survey-Jamaica* (various years)

On the other hand the programme was relatively expensive. The accumulated costs by 1980 were J\$ 39.1 million, thus the average cost per tenant to the overnment amounted to J\$ 1038. Out of the total cost J\$ 13.7 million were recoverable loans. Easier access for small farmers was one part of the programme. These loans were extended for land preparation and agricultural inputs. The tenants were supposed to sell their surplus to the government-owned Agricultural Marketing Corporation at fixed but lower prices than the market could bring and then repay the loans from their earnings. Farmers preferred to sell 'over the fence' to higglers in order to get higher prices and at the same time avoid paying

debts to the Government – one reason for the low rate (20%) of repayment. Only J\$ 2.8 million was recovered. And this affected the turnover of cash flow in the project.

To convert idle lands into production the PNP-Government acquired some lands itself or forced landholders by serving them with idle land orders under which the owners had to either bring the unused land into production themselves or lease it to the Government or someone else. The lands were distributed without any feasibility studies or development plans. In many cases it was proved that the quality of the land was poor and not suitable for the intended cultivation of food crops. Another problem which hampered productivity, especially under PLL-Phase I, was fragmentation. Farmers leased land at a considerable distance from their home, which involved additional costs in time for commuting and transport. In addition to drought, praedial larceny, or crop failure many acres therefore were left idle by tenants.

The programme was also hampered by the partisan nature of the programme's administration. The distribution of land often became a reward for PNP-supporters, known JLP-supporters felt neglected when it came to distribution of material for example.

The programme was carried out by the Government. The intended establishment of Farmers' Associations did not work, so the tenants were not involved in any decisionmaking process. On the contrary, the state bureaucracy often acted in an authoritarian and paternalistic manner instead of encouraging a 'self-help' attitude among the tenants.

Land distribution on a low scale certainly took place, but no real land reform. A far reaching programme would have required a combination of legal and constitutional changes in land tenure and land ownership in addition to massive financial resources to develop the infrastructure and to set up a small-scale agroindustry.

Frustrated by the lack of real land control and lack of participation in the programme's implementation, the tenants concentrate on purely personal, individual efforts. The Government still respected the property rights of large landholders, because 'Project Land Lease' was never intended to give the small farmers the political and collective power needed to challenge the old rural structure.